

## **Updating Product Service Codes**

The Federal Acquisition Institute (FAI) is facilitating acquisition workforce awareness for changes applicable to the Product Service Codes (PSC) process. The federal government uses more than 3,000 PSCs to describe the different types of products and services purchased by the federal government. These codes are reported to a variety of federal systems, including agencies' contract writing systems, the Federal Procurement Data System – Next Generation (FPDS-NG) and other Integrated Award Environment (IAE) systems, USAspending, and other industry systems. PSCs are instrumental for reporting; are critical for government leadership to understand how federal dollars are spent; and help the federal government determine how much money is being spent on specific products or services.

PSCs also are used to study existing trends in federal spending; report on international agreements; analyze regulatory burden; and reflect changes in technology and terminology. PSCs identify commodities with environmental or other attributes; are used to generate ad hoc, statutory, and international reporting; and link procurement systems to contracting and financial data. Civil and defense logistics operations and processes use PSCs extensively to track quality and pricing of parts.

Historically, the General Services Administration (GSA) was responsible for managing all PSCs for research, development, and services; and the Department of Defense (DoD) was responsible for managing all PSCs for civilian and defense-related products. Previously, agencies needed to know their IAE Change Control Board (CCB) representatives or would have to go up the ladder in order to request a change to service codes. In addition, the public would submit change requests for services via the IAE Federal Service Desk by phone. However, all change requests for product codes were submitted to DoD.

GSA is now making use of the category management infrastructure and interagency governance to improve the process for updating PSCs. The category managers for designated categories are the Subject Matter Experts (SMEs) from across the federal government who lead the analysis of data needs for common spend and proposed changes to PSCs within a specific area.

The responsible SMEs are assigned the change requests for their respective areas and lead the review and analysis in accordance with their respective established processes. The Governmentwide Category Management Program Management Office (GW CM PMO) will assist IAE with assigning the proposed change requests for PSC in the



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Civilian Spend Categories 1-10 to the appropriate SMEs; DoD's SMEs will be forwarded change requests for PSCs in the Defense-Centric Spend Categories 11-16, 18, and 19; the Federal R&D Community of Practice (CoP) will receive all PSC change requests identified for Category 17. Go to the IAE Federal Service Desk (FSD) and search on Product Service Code to get to the form.

The new process aligns the management of the codes with the strategic principles of category management. To ensure greater reporting accuracy and to maintain flexibility for future changes, PSCs can be added, revised, or deleted. Improved system usability will be achieved by minimizing the use of miscellaneous PSCs when a more specific one is available. In order for change requests to add, delete, or revise PSCs to be considered, all users (federal or industry) must submit their change requests using the PSC Change Request web form available on the FSD website at FSD.gov.

IAE intends to update the PSC information in its systems annually. As a "PSC-module/manager" is implemented in <u>beta.SAM.gov</u>, IAE will revisit the process for coordinating the PSC changes.

All questions and supporting data regarding PSC change requests may be submitted to the FSD at <a href="mailto:PSC-Codes@gsa.gov">PSC-Codes@gsa.gov</a>. For more information on the PSC change process, please go to <a href="mailto:https://www.acquisition.gov/PSC\_Manual">https://www.acquisition.gov/PSC\_Manual</a>.